GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:739
ANSWERED ON:21.07.2016
Textile Policy
Vellaigounder Shri Elumalai

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is considering to announce a modified and simplified textile policy and if so, the details thereof;

(b) whether it is also true that the Government has finalized the revised Technology Upgradation Fund Scheme (TUFS); and

(c) if so, the details thereof?

Answer

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a): Yes Madam. The New Textile Policy 2016 is under formulation.

(b) & (c): The Government has approved the Amended Technology Upgradation Scheme (A-TUFS) in place of existing RRTUFS Scheme with inter-alia the following provisions:-

Sl. No. Segment Rate of Capital Investment Subsidy (CIS) CIS per individual entity
1 Garmenting, Technical Textiles 15% on eligible Machines Rs. 30 crore*
2 Weaving for brand new Shuttle-less Looms (including weaving preparatory and knitting), Processing, Jute, Silk and Handloom 10% on eligible Machines Rs 20 crore*
3 (a) Composite unit/ Multiple Segments- If the eligible capital investment in respect of Garmenting and Technical Textiles category is more than 50 % of the eligible project cost. 15% on eligible Machines Rs 30 crore*
3 (b) Composite unit/ Multiple Segments- If the eligible capital investment in respect of Garmenting and Technical Textiles category is less than 50 % . 10% on eligible Machines Rs 20 crore*
4 Handloom sector. Capital Subsidy @10% on eligible machines RS. 20 crore*
*In case the applicant had availed subsidy earlier under RRTUFS, he will be eligible for only the balance amount within the overall ceiling fixed for an individual entity. The maximum subsidy for overall investment by an individual entity under ATUFS will be restricted as indicated above for respective segments.

Government has also recently approved additional production linked incentive of 10% under TUFS for promoting employment and exports in garmenting segment.

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